LINCOLN OFFICE
SUITE 500
301 SOUTH 13TH STREET
LINCOLN, NEBRASKA 68508-2578
TELEPHONE 402-437-8500
FAX 402-437-8558

OMAHA OFFICE
SUITE 525
10250 REGENCY CIRCLE
OMAHA, NEBRASKA 68114-3754
TELEPHONE 402-898-7400
FAX 402-898-7401

WOODS & AITKEN
L • L • P

DENVER OFFICE
SUITE 525
8055 EAST TUFTS AVENUE
DENVER, COLORADO 80237-2835
TELEPHONE 303-606-6700
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THOMAS J. MOORMAN
DIRECT: (202) 944-9502
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ADMITTED TO PRACTICE ONLY IN THE DISTRICT OF COLUMBIA

WASHINGTON OFFICE
SUITE 310
5151 WISCONSIN AVENUE, N.W.
WASHINGTON, D.C. 20016-4124
TELEPHONE 202-944-9500
FAX 202-944-9501

PLEASE RESPOND TO WASHINGTON ADDRESS

July 16, 2018

REDACTED – FOR PUBLIC INSPECTION

VIA ECFS
Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: WC Docket No. 14-58
Submission of Redacted Version of FCC Form 481 for Armstrong Telephone Company – Maryland (Study Area Code 180216)

Dear Ms. Dortch:

Attached for electronic filing is a copy of the redacted public version of the FCC Form 481 of Armstrong Telephone Company -- Maryland (the "Company") which contains the Company's financial information required by Section 54.313(f)(2) of the Commission's Rules (which is filed in compliance with the Protective Order referenced below).

The Company's FCC Form 481 has been electronically filed with the Universal Service Administrative Company. Consistent with the Commission's Protective Order, WC Docket No. 10-90 *et al.*, DA 16-296, released March 22, 2016 (the "Protective Order"), the Company, under separate letter and pursuant to the requirements of the Protective Order, has submitted the confidential version of the Company's FCC Form 481 which contains the Company's financial information required by Section 54.313(f)(2) of the Commission's Rules.

The Company is aware that the Universal Service Administrative Company, Inc. has issued guidance regarding the treatment of Section 54.313(f)(2) confidential information addressed in the Protective Order. This guidance did not, however, address the procedural filing requirements required by the Protective Order. As a result and in a good faith effort to comply with the Protective Order's requirements, the Company is making this instant submission.

Please direct any questions concerning this matter to the undersigned.

Respectfully submitted,

Thomas J. Moorman

Thomas J. Moorman By JAO
James A. Overcash
Counsel to Armstrong Telephone Company -- Maryland

Attachment

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FCC Form 481 - Carrier Annual Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2016

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name: Person USAC should contact with questions about this data	Carrie Curtis
<035>	Contact Telephone Number: Number of the person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address: Email of the person identified in data line <030>	ccurtis@agoc.com
	Form Type	54.313 and 54.422

(200) Service Outage Reporting (Voice)
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<210> For the prior calendar year, were there any reportable voice service outages? ______

<220>

<a> NORS Reference Number	<b1> Outage Start Date	<b2> Outage Start Time	<b3> Outage End Date	<b4> Outage End Time	<c1> Number of Customers Affected	<c2> Total Number of Customers	<d> 911 Facilities Affected (Yes / No)	<e> Service Outage Description (Check all that apply)	<f> Did This Outage Affect Multiple Study Areas (Yes / No)	<g> Service Outage Resolution	<h> Preventative Procedures

(400) Number of Complaints per 1,000 customers Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext. 50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com
<400>	Select from the drop-down list to indicate how you would like to report voice complaints (zero or greater) for voice telephony service in the prior calendar year for each service area in which you are designated an ETC for any facilities you own, operate, lease, or otherwise utilize.	
<410>	Complaints per 1000 customers for fixed voice	
<420>	Complaints per 1000 customers for mobile voice	

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(500) Compliance With Service Quality Standards and Consumer Protection Rules Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF ND
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<515> Certify compliance with applicable minimum service standards

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(600) Functionality in Emergency Situations	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com
<600>	Certify compliance regarding ability to function in emergency situations	Yes
<610>	Descriptive document for Functionality in Emergency Situations	180216md610.pdf

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(800) Operating Companies
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<810>	Reporting Carrier	Armstrong Tel of MD
<811>	Holding Company	Armstrong Holdings, Inc.
<812>	Operating Company	Armstrong Tel of MD

<813>

<a1>	<a2>	<a3>
Affiliates	**SAC**	**Doing Business As Company or Brand Designation**

-- See attached worksheet --

REDACTED - FOR PUBLIC INSPECTION

(900) Tribal Lands Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<900> Does the filing entity offer tribal land services? (Y/N) No

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes to confirm the status described on the attached PDF, on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(5) includes:

		Select Yes or No or Not Applicable
<921>	Needs assessment and deployment planning with a focus on Tribal community anchor institutions.	
<922>	Feasibility and sustainability planning;	
<923>	Marketing services in a culturally sensitive manner;	
<924>	Compliance with Rights of way processes	
<925>	Compliance with Land Use permitting requirements	
<926>	Compliance with Facilities Siting rules	
<927>	Compliance with Environmental Review processes	
<928>	Compliance with Cultural Preservation review processes	
<929>	Compliance with Tribal Business and Licensing requirements.	

REDACTED - FOR PUBLIC INSPECTION

(1000) Voice and Broadband Service Rate Comparability
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<1000> Voice services rate comparability certification: Yes

<1010> Attach detailed description for voice services rate comparability compliance: 180216md1010.pdf
Name of Attached Document

<1020> Broadband comparability certification: Yes - Pricing is no more than the most recent applicable benchmark announced by the Wireline Competition Bureau

<1030> Attach detailed description for broadband comparability compliance: 180216md1030.pdf
Name of Attached Document

REDACTED - FOR PUBLIC INSPECTION

(1100) No Terrestrial Backhaul Reporting
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<1100>	Certify whether terrestrial backhaul options exist (Y/N)	Yes
<1130>	Please select the appropriate response (Yes, No, Not Applicable) to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(g).	
<1140>	Alaska Plan rate-of-return certification (yes, no, or not applicable) of compliance with approved performance plan.	

REDACTED - FOR PUBLIC INSPECTION

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

180216md1210.pdf

Name of Attached Document

<1220> Link to Public Website HTTP agoc.com

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

<1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☑

<1222> Details on the number of minutes provided as part of the plan, ☑

<1223> Additional charges for toll calls, and rates for each such plan. ☑

REDACTED - FOR PUBLIC INSPECTION

(2005) Price Cap Carrier Additional Documentation	**FCC Form 481**
Data Collection Form	**OMB Control No. 3060-0986/OMB Control No. 3060-0819**
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers	**July 2018**

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

Select the appropriate responses below (Yes, No, Not Applicable) to note compliance as a recipient of frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR 54.313(c),(d),(e). The information reported on this form and in the documents attached below is accurate.

<2015> 2016 and future Frozen Support Certification 47 CFR § 54.313(c)(4)

Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016> Certification support used to build broadband

Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017A> Connect America Fund Phase II recipient?

<2017C> Total amount of Phase II support, if any, the price cap carrier used for capital expenditures in 2017.

<2018> Attach the number, names, and addresses of community anchor institutions to which the carrier newly began providing access to broadband service in the preceding calendar year - 54.313(e)(1)(ii)(A)

Name of Attached Document Listing Required Information

<2019> Recipient certifies that it bid on category one telecommunications and Internet access services in response to all FCC Form 470 postings seeking broadband service that meets the connectivity targets for the schools and libraries universal service support program for eligible schools and libraries located within any area in a census block where the carrier is receiving Phase II model-based support, and that such bids were at rates reasonably comparable to rates charged to eligible schools and libraries in urban areas for comparable offerings - 54.313(e)(1)(ii)(C)

REDACTED - FOR PUBLIC INSPECTION

(3005) Rate Of Return Carrier Additional Documentation **Data Collection Form**		**FCC Form 481** **OMB Control No. 3060-0986/OMB Control No. 3060-0819** **July 2018**
<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

CAF BLS Reporting

(3008A) Please indicate whether new locations were deployed during the prior calendar year. (Yes/No) No

(3008B) Please enter the number of new locations deployed in the prior calendar year associated with each of the following speed tiers.

(3008B1) Number of newly built locations with access to broadband speeds of at least 10/1 Mbps but less than 25/3 Mbps.

(3008B2) Number of newly built locations with access to broadband speeds of 25/3 Mbps or higher.

(3008C) Please provide the percentage of deployment across the entire study area.

REDACTED - FOR PUBLIC INSPECTION

(3005) Rate Of Return Carrier Additional Documentation
Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

Select from the drop down menu or check the boxes below to note compliance with 54.313(f)(1). Privately held carriers must ensure compliance with the financial reporting requirements set forth in 47 CFR 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

	Progress Report on 5 Year Plan		
(3009)	Carrier certifies to 54.313(f)(1)(iii)	Yes - Attach Certification	
(3010A)	Certification of Public Interest Obligations (47 CFR § 54.313(f)(1)(i))		180216md3010.pdf
(3010B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3012A)	Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))	No - No New Community Anchors	
(3012B)	Please Provide Attachment	Name of Attached Document Listing Required Information	
(3013)	Is your company a Privately Held ROR Carrier (47 CFR §54.313(f)(2))	(Yes/No) ◉ Yes ○ No	
(3014)	If yes, does your company file the RUS annual report	(Yes/No) ○ Yes ◉ No	
	Please check these boxes to confirm that the attached PDF, on line 3017, contains the required information pursuant to §54.313(f)(2) compliance requires:		
(3015)	Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)	☐	
(3016)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	☐	
(3017)	If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	Name of Attached Document Listing Required Information	
(3018)	If the response is no on line 3014, is your company audited?	(Yes/No) ◉ Yes ○ No	
	If the response is yes on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to §54.313(f)(2), contains:		
(3019)	Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	✔	
(3020)	Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows	✔	
(3021)	Management letter and/or audit opinion issued by the independent certified public accountant that performed the company's financial audit.	✔	
	If the response is no on line 3018, please check the boxes below to confirm your submission on line 3026 pursuant to §54.313(f)(2), contains:		
(3022)	Copy of their financial statement which has been subject to review by an independent certified public accountant; or 2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers	☐	
(3023)	Underlying information subjected to a review by an independent certified public accountant	☐	
(3024)	Underlying information subjected to an officer certification.	☐	
(3025)	Document(s) with Balance Sheet, Income Statement and Statement of Cash Flows	☐	
(3026)	Attach the worksheet listing required information	Name of Attached Document Listing Required Information	180216md3026 (Confidential).pdf

REDACTED - FOR PUBLIC INSPECTION

(3005) Rate Of Return Carrier Additional Documentation (Continued)

Data Collection Form

FCC Form 481
OMB Control No. 3060-0986/OMB Control No. 3060-0819
July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

Financial Data Summary

(3027) Revenue	[redacted]
(3028) Operating Expenses	[redacted]
(3029) Net Income	[redacted]
(3030) Telephone Plant In Service(TPIS)	[redacted]
(3031) Total Assets	[redacted]
(3032) Total Debt	[redacted]
(3033) Total Equity	[redacted]
(3034) Dividends	[redacted]

Name of Attached Document Listing Required Information

REDACTED - FOR PUBLIC INSPECTION

(4005) Rural Broadband Experiment Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

4005 Rural Broadband Experiment

Authorized Rural Broadband Experiment (RBE) recipients must address the certification for public interest obligations and provide a list of newly served community anchor institutions.

Public Interest Obligations – FCC 14-98 (paragraphs 26-29, 78)
Please address Line 4001 regarding compliance with the Commission's public interest obligations. All RBE participants must provide a response to Line 4001.

4001. Recipient certifies that it is offering broadband meeting the requisite public interest obligations consistent with the category for which they were selected, including broadband speed, latency, usage capacity, and rates that are reasonably comparable to rates for comparable offerings in urban areas.

Community Anchor Institutions – FCC 14-98 (paragraph 79)

4003a. RBE participants must provide the number, names, and addresses of community anchor institutions to which they newly deployed broadband service in the preceding calendar year. On this line, please respond (yes – attach new community anchors, no – no new anchors) to indicate whether this list will be provided.

If yes to 4003A, please provide a response for 4003B.

4003b. Provide the number, names and addresses of community anchor institutions to which the recipient newly began providing access to broadband service in the preceding calendar year.	Name of Attached Document Listing Required Information

REDACTED - FOR PUBLIC INSPECTION

(5005) Alaska Plan Participants Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

5005 Alaska Plan

(5010)	Do you participate in the Alaska plan?	(Yes/No)
(5011)	Please indicate whether any terrestrial backhaul or other satellite backhaul became commercially available in the previous calendar year in areas previously served exclusively by performance-limiting satellite backhaul.	(Yes/No)
(5012)	If the filing carrier identified in its approved perfomance plans that it relies exclusively on satellite backhaul for a certain poriton of the population in its service area, indicate whether any terrestrial backhaul or other satellite backhaul became commercially available in the previoius calendar year in areas that were previoiusly served exclusively by satellite backhaul.	(Yes/No)

<5013>

<a>	<b>	<c>
Description Of Backhaul Technology	Date Backhaul Available	Newly Served Locations or Population

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2018

<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
<020>	Program Year	2019
<030>	Contact Name - Person USAC should contact regarding this data	Carrie Curtis
<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients

I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.

Name of Reporting Carrier: ARMSTRONG TEL OF MD

Signature of Authorized Officer: CERTIFIED ONLINE — Date 07/11/2018

Printed name of Authorized Officer: Mark Rankin

Title or position of Authorized Officer: VP Financial Reporting

Telephone number of Authorized Officer: 7242830925 ext.30243

Study Area Code of Reporting Carrier: 180216 — Filing Due Date for this form: 07/16/2018

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

Certification - Agent / Carrier **Data Collection Form**		**FCC Form 481** **OMB Control No. 3060-0986/OMB Control No. 3060-0819** **July 2018**
<010>	Study Area Code	180216
<015>	Study Area Name	ARMSTRONG TEL OF MD
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<035>	Contact Telephone Number - Number of person identified in data line <030>	7242830925 ext.50380
<039>	Contact Email Address - Email Address of person identified in data line <030>	ccurtis@agoc.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier

I certify that (Name of Agent)____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.

Name of Authorized Agent:	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date:
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier

I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.

Name of Reporting Carrier:	
Name of Authorized Agent Firm:	
Signature of Authorized Agent or Employee of Agent:	Date:
Name of Authorized Agent Employee:	
Title or position of Authorized Agent or Employee of Agent	
Telephone number of Authorized Agent or Employee of Agent:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

Attachments

Response Line 610
Armstrong Telephone Company - Maryland
Study Area 180216

§54.313(a)(6) – ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Voice Network
Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2)Armstrong Telephone Company - Maryland ("Armstrong") meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Armstrong's central office by use of a generator and batteries that provide to provide emergency power. Armstrong has also sufficient spare cards for its fiber optic network to provide almost instantaneous replacement should there ever be a card failure in the core network. Armstrong also has proper staff in place to repair any fiber cuts in a timely manner. Armstrong has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. Armstrong has developed and trained its staff on network preparedness plans in case of emergency situations. Armstrong is prepared and capable of managing traffic spikes resulting from emergency situations and has sufficient switching capabilities to handle such situations.

Broadband Network
Pursuant to 47 C.F.R. § 54.313(a)(6) and 47 C.F.R § 54.22(b)(4) as set forth in 47 C.F.R. § 54.202(a)(2) Armstrong Telephone Company - Maryland ("Armstrong") meets the requirements to remain functional in emergency situations and has the following capabilities: Back-up power is provided to Armstrong central offices by use of a generator and batteries that provide it with 8 to 12 hours of emergency power that is also used to provide service to the broadband network. In addition, Armstrong field electronics have 8 to 12 hours of back-up power by use of generators and batteries. Armstrong has also sufficient spare cards for its fiber optic network to provide almost instantaneous replacement should there ever be a card failure in the core network. Armstrong also has proper staff in place to repair any fiber cuts in a timely manner. Armstrong has connectivity with neighboring telephone exchanges as well as the LATA tandem to provide diverse options to reroute traffic should an emergency arise. Armstrong has developed and trained its staff on network preparedness plans in case of emergency situations.

Response to Line 1010
Armstrong Telephone Company - Maryland
Study Area 180216

Voice Services Comparability Report

Pursuant to 47 C.F.R. § 54.313 (a) (10) Armstrong Telephone Company – Maryland (the "Company") is in compliance with the requirement that voice services is no more than two standard deviations above the national average urban rate for voice service of $45.38 as specified in Public Notice DA 17-1093 issued on November 8, 2017. The Company's current total local end-user rate[1] of $6.00 (which includes a local fee of $6.00, mandated state fees of 0.00 and mandatory extended area service charges of $0.00) is not above the standard deviation as specified in the USF/ICC Transformation Order. [2]

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[1] Local End User Rate as defined in USF/ICC Transformation Order 26 FCC Rcd at 17751, Para. 238

[2] USF/ICC Transformation Order, 26 FCC Rcd at 17694, Para. 84 (footnote included) "The standard deviation is a measure of dispersion. The sample standard deviation is the square root of the sample variance. The sample variance is calculated as the sum of the squared deviations of the individual observations in the sample of data from the sample average divided by the total number of observations in the sample minus one. In a normal distribution, about 68 percent of the observations lie within one standard deviation above and below the average and about 95 percent of the observations lie within two standard deviations above and below the average."

Response to Line 1030
Armstrong Telephone Company - Maryland
Study Area 180216

§54.313(a)(11) – BROADBAND SERVICES COMPARABILITY REPORT

Pursuant to 47 C.F.R. § 54.313 (a) (11) Armstrong Telephone Company - Maryland charges a residential rate of $49.95 for broadband providing 10 Mbps download, 1 Mbps upload, and an unlimited usage allowance. This rate is lower than $88.13, which is the 2018 reasonable comparability benchmark for the same offering established by the Wireline Competition Bureau.[1]

[1] *Wireline Competition Bureau Announces Results of 2018Urban Rate Survey for Fixed Voice and Broadband Services and Posting of Survey Data and Explanatory Notes*, Public Notice, WC Docket No. 10-90, DA 17-1093 (rel. November 8, 2017).

SECTION 4. DESCRIPTION OF SERVICES AND RATES (cont'd)

4.7 Lifeline Service

4.7.1 General

Lifeline Service is an offering designed to help qualified customers pay for their Local Exchange Service. Such qualified customers are charged a reduced rate for their local telephone service.

4.7.2 Regulations

A. Lifeline Service is available to qualified customers and is provided via a residence individual message rate dial tone line.

B. Lifeline Service is Local Exchange Service and, as such, is subject to the regulations governing Local Exchange Service in Section 3 of this tariff.
Lifeline customers will receive a flat rate monthly discount as specified in C. of this Section 3.

C. In order to qualify for Lifeline Service, a customer must be certified in accordance with Federal Communications Commission rules found in CFR § 54.410(c) by the Maryland Department of Human Resources to the Telephone Company as receiving assistance under Title 5, subtitle 3 of the Human Services Article including (Temporary Cash Assistance (TCA), Supplemental Nutrition Assistance Program (SNAP), State Funded: Temporary Disability Assistance Program (TDAP), and Public Assistance to Adults (PAA)), Assistance from the Electric Universal Service Program, Assistance from the Maryland Energy Assistance Program, State-funded public assistance benefits, or Supplemental Security Income (SSI).

D. Lifeline Service will continue to be provided to a customer only so long as such customer is receiving benefits as specified in 3. preceding. The continuation of qualification for Lifeline Service must be recertified by the Maryland Department of Human Resources, every 12 months for customers receiving Supplemental Security Income benefits, and every six months for customers receiving other benefits specified in 3. preceding, following the establishment of the Lifeline Service. Without such recertification, the customer's Lifeline Service will be discontinued.

E. When the Telephone Company receives notice from the Maryland Department of Human Resources, or the customer, that the customer is no longer receiving benefits as specified in 3. preceding, the Telephone Company will then notify the customer that the Lifeline Service will be disconnected or changed to another class of residence service.

SECTION 4. DESCRIPTION OF SERVICES AND RATES (cont'd)

4.7 Lifeline Service (cont'd)

4.7.2 Regulations (cont'd d)

F. A customer to Lifeline Service may not subscribe to any other Local Exchange Service on the same premises. In addition, a Lifeline customer may not subscribe to any additional telephone services including foreign central office, foreign exchange, and foreign zone services.

G. A subscriber may elect at the time of subscription to Lifeline Service to receive Toll Blocking Service as part of Lifeline Service. "Toll Blocking Service" is a service that allows a subscriber to elect not to allow the completion of outgoing toll calls from the subscriber's residence.

H. The Company may not collect a service deposit in order to initiate Lifeline Service. Lifeline Service will not be disconnected for non-payment of toll charges.

A. Lifeline Service provides a flat rate monthly Federal credit of $9.25.

B. The Company shall apply the baseline payments received by the administrator of the federal Lifeline Service program to waive the qualifying customer's federal End-User Common Line Charge. The Company shall apply any additional federal support amount to the qualifying customer's basic local exchange service rate.

C. To be eligible for Lifeline Service, qualifying customers must subscribe to the residential Touch-Tone Service offering that is made available in the Company's service area as indicated on Leaf 1 in this Section and must pay all related charges associated with E-911 services and, when applicable, directory assistance and operator service charges.

D. Partial payments that are received from Lifeline Service customers shall first be applied to local service charges and then to any outstanding toll charges.

E. All aspects of the Lifeline Service program shall be subject to the interpretation of applicable Federal regulations and any directives which may from time to time be prescribed by the Universal Service Administrative Company. These rules are separate and apart from any rules prescribed as part of a state Universal Service program.

SECTION 4. DESCRIPTION OF SERVICES AND RATES (cont'd)

4.7 Lifeline Service (cont'd)

4.7.3 Rates

A. Lifeline Service Dial Tone Line,
credit per month ... $9.25

B. For the installation of new Local Exchange Service as a Lifeline Service, effective April 1, 2012, the applicable Service Charges discount is eliminated.

C. For changes to a Lifeline Service for a qualified customer, the Service Charges specified in Section 4.3 of this Tariff do not apply. If a customer no longer qualifies for Lifeline Service, no Service Charges apply for changing to a Residence Local Exchange Service.

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Annual Lifeline Eligible Telecommunications Carrier Certification Form All carriers must complete all or portions of all sections Form must be submitted to USAC and filed with the Federal Communications Commission

IMPORTANT: PLEASE READ INSTRUCTIONS FIRST

Deadline: January 31st (Annually)

180216	143001400
Study Area Code (SAC)	Service Provider Identification Number (SPIN)

(An Eligible Telecommunications Carrier (ETC) must provide a certification form for ***each*** *SAC through which it provides Lifeline service).*

2017	MD	Armstrong Telephone Company - Maryland
Recertification Year	State	ETC Name

N/A	ARMSTRONG HOLDINGS INC
DBA, Marketing, or Other Branding Name *(If same as ETC name, list "N/A" Do not leave blank)*	Holding Company Name *(If same as ETC name, list "N/A" Do not leave blank)*

Does the reporting company have affiliated ETCs? Yes ◙ No ◙

Provide a list of all ETCs that are affiliated with the reporting ETC, using page 4 and additional sheets if necessary. Affiliation shall be determined in accordance with Section 3(2) of the Communications Act. That Section defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person." 47 U.S.C. § 153(2). See also 47 C.F.R. § 76.1200.

Affiliated ETC's SAC	Affiliated ETC's Name

ETCs Subject to the Non-Usage Requirements

All ETCs must complete the appropriate check-box. ETCs that do not assess and collect a monthly fee from their Lifeline subscribers are subject to the non-usage requirements. ETCs subject to the non-usage requirements must indicate the number of subscribers de-enrolled by month in Section 4. ETCs that only assess a fee but do not collect such fees are subject to the non-usage requirements and must also indicate the number of subscribers de-enrolled by month.

Is the ETC subject to the non-usage requirements? Yes ☐ No ☒

If yes, record the number of subscribers de-enrolled for non-usage by month in Block Q below.

P	Q
Month	Subscribers De-Enrolled for Non-Usage
January	0
February	0
March	0
April	0
May	0
June	0
July	0
August	0
September	0
October	0
November	0
December	0
Total Subscribers	0

For purposes of this filing, an officer is an occupant of a position listed in the article of incorporation, articles of formation, or other similar legal document. An officer is a person who occupies a position specified in the corporate by-laws (or partnership agreement), and would typically be president, vice president for operations, vice president for finance, comptroller, treasurer, or a comparable position. If the filer is a sole proprietorship, the owner must sign the certification.

Initial Certification *All ETCs must complete this section*

I certify that the company listed above has certification procedures in place to:

A) Review income and program-based eligibility documentation prior to enrolling a consumer in the Lifeline program, and that, to the best of my knowledge, the company was presented with documentation of each consumer's household income and/or program-based eligibility prior to his or her enrollment in Lifeline; and/or

B) Confirm consumer eligibility by relying upon access to a state database and/or notice of eligibility from the state Lifeline administrator prior to enrolling a consumer in the Lifeline program.

I am an officer of the company named above. I am authorized to make this certification for the Study Area Code listed above.

Initial SB

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Minimum Service Level

I certify that the company listed above is in compliance with the minimum service levels set forth in the 47 CFR Section 54.408.

I am an officer of the company named above. I am authorized to make this certification for the SACs listed above.

Initial SB

Annual Recertification

Do not leave empty blocks. If an ETC has nothing to report in a block, enter a zero.

Report the number of Lifeline subscribers due for recertification by month (January-December)
A. Subscribers eligible for recertification by anniversary month
B. Subscribers de-enrolled prior to recertification attempts
C. Total number of subscribers ETC is responsible for recertifying (A-B)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
A.	0	0	0	0	0	0	1	0	0	1	1	0	3
B.	0	0	0	0	0	0	0	0	0	0	0	0	0
C.	0	0	0	0	0	0	1	0	0	1	1	0	3

Recertification Methods

State of federal database
D. Subscribers recertified through ETC access to state or federal database by anniversary month

Report the number of eligible subscribers verified through access to a state or federal database.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
D.	0	0	0	0	0	0	0	0	0	0	0	0	0

E. Name of the data source(s) used to verify consumer eligibility:

____

ETC Direct Contact
F. Subscribers contacted by ETC directly to recertify (You may also use this section to report subscriber initiated recertifications).

Report the number of Lifeline subscribers the ETC contacted directly to obtain recertification of eligibility

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
F.	0	0	0	0	0	0	1	0	0	1	1	0	3

G. Subscribers who failed to recertify through ETC direct outreach attempt

Report the number of Lifeline subscribers de-enrolled due to ineligibility or non-response to the ETC's outreach attempt.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
G.	0	0	0	0	0	0	0	0	0	0	0	0	0

H. Subscribers who recertified through ETC direct outreach attempt

Report the number of Lifeline subscribers that successfully recertified through ETC's outreach attempt.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
H.	0	0	0	0	0	0	1	0	0	1	1	0	3

Third Party

I. Subscribers whose eligibility was reviewed by state administrator, third party administrator, or USAC

Report the number of Lifeline subscribers contacted by a state administrator, third party administrator, or USAC for the purpose of recertification.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
I.	0	0	0	0	0	0	0	0	0	0	0	0	0

J. Name of third party administrator used to verify subscriber eligibility:

____

K. Subscribers de-enrolled as a result of a third party recertification attempt

Report the number of subscribers as a result of ineligibility or non-response to outreach from a state administrator, third party administrator, or USAC.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
K.	0	0	0	0	0	0	0	0	0	0	0	0	0

L. Subscribers who recertified through a state administrator, third party administrator, or USAC's recertification effort

Report the number of subscribers that recertified through a request from a state administrator, third party administrator, or USAC

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Total
L.	0	0	0	0	0	0	0	0	0	0	0	0	0

Certification:

Recertification Method: Database

I certify that the company listed above has procedures in place to recertify consumer eligibility by relying on a database. I am an officer of the company named above. I am authorized to make this certification for the SAC(s) listed above.

Initial _________

Recertification Method: ETC
I certify that the company listed above has procedures in place to recertify the continued eligibility of all of its Lifeline subscribers, and that, to the best of my knowledge, the company obtained signed certifications from all subscribers attesting to their continuing eligibility for Lifeline. I am an officer of the company named above. I am authorized to make this certification for the SAC(s) listed above.

Initial SB______

Recertification Method: Third Party
I certify that the company listed above has procedures in place to recertify consumer eligibility by relying on an administrator. I am an officer of the company named above. I am authorized to make this certification for the SAC(s) listed above.

Initial _________

No Subscribers
I certify that my company did not claim federal low income support for any Lifeline subscribers for the current Form 555 data year. I am an officer of the company named above. I am authorized to make this certification for the SAC listed above.

Initial _________

M = (G+K)	N = (D+F+I)	O = M/N*100
Total number of subscribers de-enrolled as a result of recertification	Total number of subscribers ETC is responsible for recertifying	Percent of subscribers due for recertification who were de-enrolled
0	3	0.0%

Signature Block

By signing below, I certify that the company listed above is in compliance with all federal Lifeline certification procedures. I am an officer of the company named above. I am authorized to make this certification for the Study Area Code (SAC) listed above.

Signed,

Shawn Beqaj - Vice President - Regul
Signature of Officer

Shawn Beqaj - Vice President - I
Printed Name and Title of Officer

sbeqaj@agoc.com
Email Address of Officer

Jan 26, 2018
Date

David Ames
Person Completing This Certification Form

724-283-0925
Contact Phone Number

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Affiliated ETCs

SAC	Name
150071	Armstrong Telephone Company - New York
170189	Armstrong Telephone Company - PA
200256	Armstrong Telephone Company - WV
200267	Armstrong Telephone Company - Northern Division
170195	Armstrong Telephone Company North

Response to Line3010
Armstrong Telephone Company – Maryland
Study Area 180216

Milestone Certification

Pursuant to 47 C.F.R. § 54.202(a) Armstrong Telephone Company – Maryland (the "Company") provides this certification that it is taking reasonable steps to provide upon reasonable request broadband speeds of at least 10 Mbps downstream/1 Mbps upstream, with latency suitable for real-time applications, including Voice over Internet Protocol, and usage capacity that is reasonably comparable to offerings in urban areas as determined in an annual survey as specified in Public Notice DA 17-1093, and that requests for such service are met within a reasonable amount of time. Details for how the Company is meetings its obligations for meeting its goals and required obligations are specified within the FCC Form 481 annual filing.

REDACTED - FOR PUBLIC INSPECTION

REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS

**ARMSTRONG TELEPHONE COMPANY –
MARYLAND, INC.**

September 30, 2017 and 2016

MOSSADAMS

Table of Contents

MOSSADAMS

Report of Independent Auditors

Board of Directors
Armstrong Telephone Company - Maryland, Inc.

Report on Financial Statements

We have audited the accompanying financial statements of Armstrong Telephone Company – Maryland, Inc., which comprise the balance sheets as of September 30, 2017 and 2016, and the related statements of operations, stockholder's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Armstrong Telephone Company – Maryland, Inc. as of September 30, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, until the Company is able to develop a plan for revenue growth and improved profitability, cash flows from operations will not be sufficient to service the Company's debt payments and cover its operating expenses. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to this matter are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Moss Adams LLP

Spokane, Washington
December 22, 2017

REDACTED - FOR PUBLIC INSPECTION

Armstrong Telephone Company – Maryland, Inc.
Balance Sheets

ASSETS

	September 30, 2017	September 30, 2016
CURRENT ASSETS		
Cash and cash equivalents	$ [redacted]	$ [redacted]
Subscriber accounts receivable, net of allowance of $[redacted] in 2017 and $[redacted] in 2016	[redacted]	[redacted]
Other accounts receivable, net of allowance of $[redacted] in 2017 and $[redacted] in 2016	[redacted]	[redacted]
Material and supplies	[redacted]	[redacted]
Income tax receivable, parent company	-	[redacted]
Other current assets	[redacted]	[redacted]
Total current assets	[redacted]	[redacted]
NONCURRENT ASSETS		
Deferred income taxes	[redacted]	-
Other noncurrent assets	[redacted]	[redacted]
Total noncurrent assets	[redacted]	[redacted]
PROPERTY, PLANT, AND EQUIPMENT		
Telecommunications plant in service	[redacted]	[redacted]
Nonregulated plant in service	[redacted]	[redacted]
Telecommunications plant under construction	[redacted]	[redacted]
	[redacted]	[redacted]
Less accumulated depreciation	[redacted]	[redacted]
	[redacted]	[redacted]
	$ [redacted]	$ [redacted]

Armstrong Telephone Company - Maryland, Inc.

Balance Sheets

LIABILITIES AND STOCKHOLDER'S DEFICIT

	September 30, 2017	September 30, 2016
CURRENT LIABILITIES		
Related party note payable, current	$ [redacted]	$ [redacted]
Accounts payable	[redacted]	[redacted]
Income tax payable, parent company	[redacted]	-
Other accrued liabilities	[redacted]	[redacted]
Total current liabilities	[redacted]	[redacted]
RELATED PARTY NOTE PAYABLE	[redacted]	[redacted]
OTHER LIABILITIES AND DEFERRED CREDITS		
Deferred income taxes	-	[redacted]
STOCKHOLDER'S DEFICIT		
Common stock ($[redacted] par value; [redacted] shares authorized, [redacted] shares issued and outstanding)	[redacted]	[redacted]
Retained deficit	[redacted]	[redacted]
	[redacted]	[redacted]
	$ [redacted]	$ [redacted]

See accompanying notes.

Armstrong Telephone Company – Maryland, Inc.
Statements of Operations

	Years Ended September 30, 2017	2016
Operating revenues		
Wireline		
Customer	$ [redacted]	$ [redacted]
Intercarrier		
Interstate	[redacted]	[redacted]
Intrastate	[redacted]	[redacted]
Universal service support - federal	[redacted]	[redacted]
	[redacted]	[redacted]
Internet	[redacted]	[redacted]
Miscellaneous		
Equipment	[redacted]	[redacted]
Carrier billing and collection	[redacted]	[redacted]
Directory	[redacted]	[redacted]
Uncollectible and other	[redacted]	[redacted]
	[redacted]	[redacted]
Total operating revenues	[redacted]	[redacted]
Operating expenses		
Plant specific operations	[redacted]	[redacted]
Plant nonspecific operations	[redacted]	[redacted]
Depreciation	[redacted]	[redacted]
Customer operations	[redacted]	[redacted]
Corporate operations	[redacted]	[redacted]
Other operating taxes	[redacted]	[redacted]
Nonregulated	[redacted]	[redacted]
Total operating expenses	[redacted]	[redacted]
Net operating loss	[redacted]	[redacted]
Nonoperating expense		
Interest expense	[redacted]	[redacted]
Other nonoperating expense	[redacted]	[redacted]
Total nonoperating expense	[redacted]	[redacted]
Loss before income taxes	[redacted]	[redacted]
Income tax benefit	[redacted]	[redacted]
Net loss	$ [redacted]	$ [redacted]

See accompanying notes.

Armstrong Telephone Company – Maryland, Inc.
Statements of Stockholder's Deficit

	Common Stock	Retained Deficit	Total
Balance, September 30, 2015	$ [redacted]	$ [redacted]	$ [redacted]
Net loss	-	[redacted]	[redacted]
Balance, September 30, 2016	[redacted]	[redacted]	[redacted]
Net loss	-	[redacted]	[redacted]
Balance, September 30, 2017	$ [redacted]	$ [redacted]	$ [redacted]

See accompanying notes.

Armstrong Telephone Company – Maryland, Inc.
Statements of Cash Flows

	Years Ended September 30, 2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ [redacted]	$ [redacted]
Adjustments to reconcile net loss to net cash from operating activities		
Depreciation	[redacted]	[redacted]
Deferred income taxes	[redacted])	[redacted])
Change in assets and liabilities		
Receivables	[redacted]	[redacted]
Material and supplies		
Other assets		
Accounts payable		
Other accrued liabilities and taxes		
Net cash from operating activities	[redacted]	[redacted]
CASH FLOWS FROM INVESTING ACTIVITIES		
Net acquisition of nonregulated plant	[redacted]	[redacted]
Net acquisition of property, plant, and equipment		
Net cash from investing activities	[redacted]	[redacted]
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on related party note	[redacted]	[redacted]
Proceeds from related party note		
Net cash from financing activities	[redacted]	[redacted]
NET CHANGE IN CASH AND CASH EQUIVALENTS	[redacted]	[redacted]
CASH AND CASH EQUIVALENTS at beginning of year	[redacted]	[redacted]
CASH AND CASH EQUIVALENTS at end of year	$ [redacted]	$ [redacted]
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION		
Cash paid during the year for		
Interest	$ [redacted]	$ [redacted]

See accompanying notes.

Note 1 – Summary of Significant Accounting Policies

Description of entity – Armstrong Telephone Company – Maryland, Inc. (Company) is an incumbent local exchange carrier that provides telephone and other related telecommunications services, Internet, inside wire, and customer premise equipment in the state of Maryland. The Company is wholly owned by Armstrong Holdings, Inc. (AHI).

Accounting policies – The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to regulated public utilities. Such accounting principles are consistent, in all material respects, with accounting prescribed by the Federal Communications Commission (FCC).

Accounting estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include depreciation expense and interstate access revenues. Actual results could differ from those estimates.

Cash and cash equivalents – Cash and cash equivalents are defined as short-term, highly liquid investments that were purchased with an original maturity of three months or less and are readily convertible into cash. Cash equivalents are stated at cost and primarily consist of money market savings accounts.

Concentration of risk – The Company's cash is held by several banking institutions. At various times throughout the year, cash balances exceeded federally insured limits of $[redacted].

In 2017 and 2016, the Company received $[redacted] or [redacted]% and $[redacted] or [redacted]%, respectively, of its revenue from the Federal Universal Service Fund.

Accounts receivable – Accounts receivable are stated at the amount management expects to collect on outstanding balances. The Company reviews the collectibility of accounts receivable annually based upon an analysis of outstanding receivables, historical collection information, and existing economic conditions. Receivables from subscribers are due 30 days after issuance of the subscriber bill. Receivables from other exchange carriers are typically outstanding from 30 to 60 days before payment is received. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Material and supplies – Material and supplies are valued at the lower of cost or market determined by specific identification.

Note 1 – Summary of Significant Accounting Policies (continued)

Property, plant, and equipment – Property, plant, and equipment are stated at original cost. Regulated plant includes assets that are jointly used for regulated and nonregulated activities. The cost of additions and substantial betterments of property, plant, and equipment is capitalized. The cost of maintenance and repairs is charged to operating expenses.

In accordance with composite group depreciation methodology, when a portion of Company's regulated depreciable property, plant, and equipment is retired in the ordinary course of business, the gross book value is charged to accumulated depreciation.

Depreciation of Company's nonregulated plant is provided by the straight-line method over the estimated useful lives of the assets. Upon retirement, sale, or other disposition of nonregulated investments, the cost and related accumulated depreciation are removed from the related accounts and the resulting gains or losses are included in operations.

Income taxes – The Company is a member of a group that files a consolidated federal tax return. Accordingly, income taxes payable to (refundable from) the tax authority are recognized on the financial statements of the parent company who is the taxpayer for federal income tax purposes. The members of the consolidated group allocate payments to any member of the group for the income tax reduction resulting from the member's inclusion in the consolidated return, or the member makes payments to the parent company for its allocated share of the federal consolidated income tax liability. This allocation approximates the amounts that would be reported if the Company were separately filing its tax returns. The result of these allocations is reported on the accompanying balance sheets under the caption "Income tax receivable, parent company" or "Income tax payable, parent company". The parent company files consolidated tax returns with tax authorities based on a fiscal year ending September 30. The Company files a separate return for state tax purposes. Income taxes payable to (refundable from) the state are recognized on the Company's financial statements.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for taxable temporary differences and net operating losses and deferred tax liabilities are recognized for deductible temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Company records uncertain tax positions if the likelihood the position will be sustained upon examination is less than [redacted]%. As of September 30, 2017 and 2016, the Company had no accrued amounts related to uncertain tax positions. Interest and penalties, if any, are recorded as interest expense and other expense, respectively.

Note 1 – Summary of Significant Accounting Policies (continued)

Revenue recognition – Monthly service fees derived from local wireline and Internet are billed one month in advance, but recognized in the month that service is provided.

Usage sensitive revenues such as access (revenues earned for originating/terminating long distance calls) and long distance are generally billed as a per-minute charge. Although these revenues are billed in arrears, an estimate of unbilled revenues is accrued in the month service is provided.

Interstate access revenues are included in settlements based on the Company's participation in the revenue pools administered by the National Exchange Carrier Association (NECA). Settlement revenues are determined by annually prepared separations and interstate access cost studies. These studies are prepared subsequent to year end and, therefore, the related revenues are recorded on the books based on an estimate of NECA pool earnings and on other assumptions related to information utilized in the preparation of the Company's cost study. The studies are subject to a 24-month pool earnings adjustment period and a review of the study by NECA. There was an insignificant revenue impact on 2017 and 2016, for adjustments related to prior year differences between the recorded estimates and actual revenues. Furthermore, management does not anticipate that 2017 and 2016, recorded revenues will require significant adjustments in future years.

Access revenues are classified in wireline revenues above as follows:

- Customer revenues include end user charges such as the Subscriber Line Charge (SLC), the Federal Universal Service Charge (FUSC), Access Recovery Charge (ARC), and special access billed to end users.
- Universal service support includes the amounts received from the Universal Service Fund for High Cost Loop Support (HCLS), Connect America Fund Broadband Loop Support (CAF BLS), and Connect America Fund Intercarrier Compensation (CAF ICC) support.
- All access charge and settlement revenue except as described above is classified as intercarrier revenue.

Internet revenues are derived from the provision of customer access to the public Internet, excluding revenues attributable to DSL transport (line costs between the customer and the Company's equipment that routes Internet traffic). Interstate access revenues include settlements from NECA that compensate the Company for the DSL transport related to the provision of Internet services.

Wireline universal service support revenue is intended to compensate the Company for the high cost of providing rural telecommunications service. Universal service support revenue includes funds received for HCLS, CAF BLS, CAF ICC, and other miscellaneous programs. HCLS and CAF BLS are based on the Company's relative level of operating expense and plant investment. Support from the CAF ICC is based on a historical frozen amount related to 2011 investment and expenses associated with the switching function and certain 2011 intrastate access revenues, which together make up the CAF ICC base. The CAF ICC base will be reduced by [redacted]% each year in determining CAF ICC support.

Note 1 – Summary of Significant Accounting Policies (continued)

Regulation – The Company's services are subject to rate regulation as follows:

- Local telephone and intrastate access revenues are regulated by the state regulatory commission. The FCC also has assumed preemptive authority to regulate intrastate telecommunications services, including intrastate access rates.
- Interstate access revenues are regulated by the FCC through its regulation of rates and settlements procedures as administered by NECA.
- Universal service revenues are administered by Universal Service Administrative Company (USAC), based on rules established by the FCC.

The FCC released an Order and Further Notice of Proposed Rulemaking (FNPRM) in 2016, that reformed the High Cost Program supporting rate-of-return carriers. The following changes have been implemented to modernize the program:

- Provides support for stand-alone broadband services and investment;
- Requires broadband deployment based on the number of locations lacking service and the cost of providing service;
- Requires allowances for capital investments and limits on operational expenses; and
- Phases out support for areas served by a qualifying competitor.

The FNPRM also created two paths to receive high cost support for rate of return carriers. The model-based option is voluntary and is a fixed amount of support for ten years. The legacy mechanism reforms the existing ICLS mechanism to support stand-alone broadband and will now be known as the Connect America Fund Broadband Loop Support (CAF BLS).

Effective November 1, 2016, the Company made an election to remain on the reformed legacy mechanism as described above.

Other sources of revenues are not rate regulated, and include long distance, equipment sales, Internet, billing and collection, and other incidental services.

Nonregulated expenses and nonregulated plant are directly attributable to the following nonregulated services: Internet and miscellaneous revenues.

All other operating expenses and telecommunications plants are related primarily to wireline revenues. However, some of these costs jointly relate to regulated and nonregulated services. For interstate access settlements, universal service support, rate case, and other regulatory purposes, the portion of these common costs related to nonregulated activities are removed in accordance with Part 64 of the FCC rules in order to ensure regulated revenues are based on costs of providing regulated services.

Note 1 – Summary of Significant Accounting Policies (continued)

Advertising expenses – The Company expenses advertising costs as incurred. Advertising expenses during the years ended September 30, 2017 and 2016, were $[redacted] and $[redacted], respectively.

Allowance for funds used during construction (AFUDC) – The Company records as income and capitalizes as a cost of construction the cost of financing large construction projects spanning a period greater than two months. The Company uses a weighted-average interest rate based on total Company long-term debt. No amounts were capitalized at September 30, 2017 or 2016, or for those years then ended.

Subsequent events – Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are available to be issued. The Company recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing financial statements. The Company's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before the financial statements are available to be issued.

The Company has evaluated subsequent events through December 22, 2017, which is the date the financial statements are available to be issued.

Note 2 – Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. However, until the Company is able to develop a plan to grow revenues and improve profitability, cash flows from operations will not be sufficient to service the Company's debt payments and cover its operating expenses.

The ability of the Company to continue as a going concern is dependent upon continued financial support of the parent company using advances on the related party note payable in order to cover operating expenses. It is also dependent upon the Company's ability to improve profitability and cash flow by continuing to reduce operating expenses and increasing revenue generated from customers by providing more advanced broadband and network services. While management does not currently have a plan in place to sufficiently improve its profitability and cash flow, the parent company has continued to advance funds as needed to cover operating expenses and capital investment and has demonstrated the intent to provide additional funds as necessary for continuing operations going forward. Although there can be no assurances, management believes the continued financial support of the parent company will be sufficient to meet the Company's obligations as they come due.

Note 3 – Other Noncurrent Assets

Other noncurrent assets consist of land and buildings, net of accumulated depreciation, that are not related to telecommunications operations. The balance of these noncurrent assets was $[redacted] and $[redacted] as of September 30, 2017 and 2016, respectively.

Note 4 – Property, Plant, and Equipment

Telecommunications plant balances, together with accumulated depreciation balances, consist of the following at September 30:

	Depreciation Rate	Plant Account	Accumulated Depreciation	2017 Net Balance	2016 Net Balance
Regulated					
General support assets	5 - 20 years	$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]
Central office assets	8 - 12 years	[redacted]	[redacted]	[redacted]	[redacted]
Cable and wire facilities	10 - 30 years	[redacted]	[redacted]	[redacted]	[redacted]
Plant under construction	n/a	[redacted]	-	[redacted]	[redacted]
		[redacted]	[redacted]	[redacted]	[redacted]
Nonregulated					
Internet	5 years	[redacted]	[redacted]	-	-
CPE	5 years	[redacted]	[redacted]	-	-
Other	5 years	[redacted]	[redacted]	-	-
		[redacted]	[redacted]	-	-
		$ [redacted]	$ [redacted]	$ [redacted]	$ [redacted]

Note 5 – Related Party Note Payable

Long-term debt consists of the following cumulative draws on the AHI related party note payable as of September 30:

	Interest Rates (Fixed)	Maturity Dates	2017	2016
Armstrong Holdings, Inc.	[redacted]%-[redacted]%	2018-2020	$ [redacted]	$ [redacted]
Less current portion			[redacted])	[redacted]
			$ [redacted]	$ [redacted]

Maturities of long-term debt obligations for the three years following September 30, 2016, are as follows:

2018	$ [redacted]
2019	
2020	
	$ [redacted]

All assets of the Company are pledged as security for the long-term debt. Interest on debt was $[redacted] and $[redacted] for the years ended September 30, 2017 and 2016, respectively.

Note 6 – Income Taxes

The components of the provision for income tax benefit are as follows:

	Years Ended September 30,	
	2017	2016
Current		
Federal	$ [redacted]	$ [redacted]
Deferred		
Federal	[redacted]	[redacted]
State		
	$ [redacted]	$ [redacted]

The provision for income taxes differs from the amount computed by applying the current statutory federal income tax rate to earnings before taxes due to the effects of state taxes (net of federal benefit), nondeductible items, nontaxable items, and prior year over or under accruals.

Note 6 – Income Taxes (continued)

The components of the net deferred tax (asset) liability recorded in the accompanying balance sheets are:

	September 30, 2017	September 30, 2016
Deferred tax assets		
Allowance for doubtful accounts	$ [redacted]	$ [redacted]
Book depreciation greater than tax	[redacted]	[redacted]
NOL and tax credit carryforwards	[redacted]	[redacted]
	[redacted]	[redacted]
Less valuation allowance	[redacted]	[redacted]
Total deferred tax assets	[redacted]	[redacted]
Deferred tax liabilities		
Tax depreciation greater than book	-	[redacted]
Accrued employee benefits	[redacted]	[redacted]
Other	[redacted]	[redacted]
Total deferred tax liabilities	[redacted]	[redacted]
Net deferred tax (assets) liabilities	$ [redacted]	$ [redacted]

The Company has an income tax payable to the parent company of $[redacted] and income tax receivable from the parent company of $[redacted] as of September 30, 2017 and 2016, respectively.

The Company has a state net operating loss carryforward of approximately $[redacted] as of September 30, 2017, for which the Company has recorded a deferred tax asset of $[redacted]. The Company has recognized a valuation allowance for this deferred tax asset at September 30, 2017, of $[redacted], an increase of [redacted] from the prior year. The carryforward begins to expire in 2029.

Note 7 – Pension Plan

Armstrong Utilities, Inc. (AUI), an affiliate, has a noncontributory defined contribution retirement plan (Plan), which covers certain affiliates and substantially all employees of the Company. AUI and certain affiliates, including the Company, contribute [redacted]% of the annual base earnings of all participants to the Plan. Pension costs for the Company for the years ended September 30, 2017 and 2016, were $[redacted] and $[redacted], respectively.

Note 8 – Related Party Transactions

The Company is an affiliate of The Armstrong Group of Companies and participated in various related party transactions listed below.

The Company received data processing and other support services from Judco Management, Inc. (Judco) in the amounts of $[redacted] and $[redacted] for the years ended September 30, 2017 and 2016, respectively. The Company also paid Judco $[redacted] for office rents for both years ended September 30, 2017 and 2016, The Company also paid Judco $[redacted] for use of the corporate airplane for both years ended September 30, 2017 and 2016.

The Company received management and other administrative services from Judco in the amounts of [redacted] and $[redacted] for the years ended September 30, 2017 and 2016, respectively.

The Company received engineering and network support services from AUI in the amounts of $[redacted] and $[redacted] for the years ended September 30, 2017 and 2016, respectively. Additionally, the Company paid AUI $[redacted] and $[redacted] for marketing and operations support services for the years ended September 30, 2017 and 2016, respectively. The Company also leased switching capacity from AUI in the amounts of $[redacted] and $[redacted] for the years ended September 30, 2017 and 2016, respectively.

As of September 30, 2017 and 2016, the Company had accounts receivable from affiliates of $[redacted] and $[redacted] included in other accounts receivable, respectively, and the Company had accounts payable to affiliates of $[redacted] and $[redacted], respectively, included in accounts payable.